



**Minutes of the Open Session of the
Executive Compensation Committee**

Tuesday, April 2, 2019

**El Camino Hospital | Conference Room B (ground floor)
2500 Grant Road, Mountain View, CA 94040**

Members Present

Teri Eyre
Julie Kliger, Vice Chair**
Jaison Layney
Bob Miller, Chair
Pat Wadors
John Zoglin

Members Absent

None

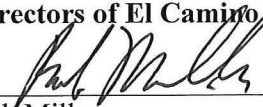
**via teleconference

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Executive Compensation Committee of El Camino Hospital (the “Committee”) was called to order at 4:00pm by Chair Bob Miller. A verbal roll call was taken. Ms. Wadors joined the meeting at 4:04pm during Agenda Item 5: Report on Board Actions. Ms. Julie Kliger joined the meeting at 4:14pm during Agenda Item 8: Progress Against FY19 Organizational Goals and participated via teleconference. All other Committee members were present at roll call.	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Miller asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were noted.	
3. PUBLIC COMMUNICATION	None.	
4. CONSENT CALENDAR	<p>Chair Miller asked if any member of the Committee or the public wished to remove an item from the consent calendar. No items were removed.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Executive Compensation Committee Meeting (January 29, 2019); Proposed FY20 Meeting Dates; and for information: Progress Against FY19 ECC Goals; Article of Interest.</p> <p>Movant: Layney Second: Eyre Ayes: Eyre, Layney, Miller, Wadors, Zoglin Noes: None Abstentions: None Absent: Kliger Recused: None</p>	<i>Consent calendar approved</i>
5. APPOINTMENT OF VICE CHAIR	Chair Miller announced that he has appointed Julie Kliger as Vice Chair of the Committee and that she has accepted.	
6. REPORT ON BOARD ACTIONS	<p>Chair Miller referred to the recent Board approvals as further detailed in the packet.</p> <p>In response to Committee questions, Dan Woods, CEO, reported that the transaction between Silicon Valley Medical Development (SVMD) and San Jose Medical Group closed April 1, 2019. He explained that currently the President of SVMD is the only SVMD executive, and that position falls under the Committee’s purview.</p> <p>Mr. Woods and Ms. Fisk described 1) bankruptcy court proceedings related to the transaction, 2) the SVMD VP of Human Resources who is managing</p>	

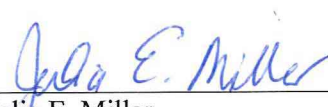
	<p>HR for SVMD and is overseeing the staffing of the newly acquired clinics. Chair Miller reported that the CEO evaluation process was approved by the Board.</p>	
<p>7. DRAFT REVISED EXECUTIVE PERFORMANCE INCENTIVE PLAN</p>	<p>Ms. Fisk provided an overview of the revisions to the Plan, which removed outdated references, incorporated feedback from the Committee’s last meeting, and included an exception clause (any exceptions require Board approval).</p> <p>Motion: To recommend that the Board approve the Draft Revised Executive Performance Incentive Plan.</p> <p>Movant: Eyre Second: Wadors Ayes: Eyre, Layney, Miller, Wadors, Zoglin Noes: None Abstentions: None Absent: Kliger Recused: None</p>	<p><i>Draft Revised EPIP recommended for approval</i></p>
<p>8. PROGRESS AGAINST FY19 ORGANIZATIONAL GOALS</p>	<p>Dan Woods, CEO, provided an update on the progress against the FY19 organizational goals:</p> <ul style="list-style-type: none"> - <u>Patient Throughput</u> (door to floor): staff identified 64 opportunities and have focused on 18. He described constraints on the process improvements (e.g., a patient is ready to be admitted, but a bed may not be available) and the development of a command center to better identify and triage available resources. - <u>HCAHPS</u>: Mr. Woods explained that cleanliness is a surrogate for satisfaction. He described the performance and employee engagement of the Environment Services department and lessons learned from newly introduced executive rounding regarding the nurse call system and accountability structures. - <u>People Management</u>: Ms. Fisk described some of the drivers of the increase in employee engagement scores including: 1) creating a line-of-sight for employees to ECH’s organizational goals where they receive a recognition bonus for their contributions toward the organization’s overall success and 2) regularly-scheduled CEO town halls. 	
<p>9. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 4:25pm.</p> <p>Movant: Wadors Second: Eyre Ayes: Eyre, Kliger, Layney, Miller, Wadors, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Adjourned to closed session at 4:25pm</i></p>
<p>10. AGENDA ITEM 15: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 5:28pm. Agenda items 10-14 were addressed in closed session.</p> <p>During the closed session, the Committee approved the Minutes of the Closed Session of the Executive Compensation Committee Meeting (January 29, 2019) by a unanimous vote in favor of all members present (Eyre, Kliger (via teleconference), Layney, Miller, Wadors, Zoglin).</p>	
<p>11. AGENDA ITEM 16:</p>	<p>Chair Miller requested that the goal related to the CEO Review process say</p>	<p><i>Proposed FY20</i></p>

<p>PROPOSED FY20 COMMITTEE GOALS</p>	<p>“review” rather than “support.”</p> <p>Mr. Zoglin suggested that the goals should push the Committee to do more than what has been done in previous years.</p> <p>The Committee discussed other potential areas of focus including Board Director compensation and optimizing the Joint Board and Committee education sessions.</p> <p>Ms. Wadors cautioned that the Committee should not over operationalize its work; for example, the executive team and Ms. Fisk should choose the particular tools/template for succession planning, and staff and the Committee should discuss what success looks like.</p> <p>The Committee also discussed whether or not physician compensation and a scorecard of overall organizational health should be reviewed by the Committee. Ms. Eyre noted that the governance oversight of compensation committees is typically limited to executives.</p> <p>The Committee will conduct a self-evaluation in Q3 to review its effectiveness.</p> <p>Motion: To approve the Proposed FY20 Committee Goals with the edit as noted above.</p> <p>Movant: Wadors Second: Layney Ayes: Eyre, Kliger, Layney, Miller, Wadors, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Committee Goals approved; to be reviewed by the Governance Committee and the Hospital Board</i></p>
<p>12. AGENDA ITEM 17: FY19 PACING PLAN</p>	<p>There were no questions or comments from the Committee.</p>	
<p>13. AGENDA ITEM 18: CLOSING COMMENTS</p>	<p>In response to Ms. Wadors’ question, Ms. Fisk described ECH’s diversity reporting, including the EEO-1 survey required by the Equal Employment Opportunity Commission (EEOC). Ms. Fisk noted the importance of the employee population mirroring the diversity of the patient population.</p>	
<p>14. AGENDA ITEM 19: ADJOURNMENT</p>	<p>Motion: To adjourn at 5:43pm.</p> <p>Movant: Wadors Second: Eyre Ayes: Eyre, Kliger, Layney, Miller, Wadors, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting adjourned at 5:43pm</i></p>

Attest as to the approval of the foregoing minutes by the Executive Compensation Committee and the Board of Directors of El Camino Hospital.



 Bob Miller
 Chair, Executive Compensation Committee



 Julia E. Miller
 Secretary, ECH Board of Directors

Prepared by: Sarah Rosenberg, Contracts Administrator/Governance Services EA